

Program 030

DSHS - Mental Health**Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2003-05 Expenditure Authority	3,051.1	663,067	591,761	1,254,828
Total Maintenance Level	3,209.2	737,873	595,357	1,333,230
Difference	158.1	74,806	3,596	78,402
Percent Change from Current Biennium	5.2%	11.3%	0.6%	6.2%
Performance Changes				
Lease, Medical Inflation, and Equipment Reduction		(4,512)	(1,541)	(6,053)
Targeted Vendor Rate Increase		11,646	8,103	19,749
Middle Management Reduction	(12.7)	(1,120)	(368)	(1,488)
Children's Medical Premiums		463	463	926
Eligibility Reviews		2,584	2,584	5,168
General Inflation		(970)	(300)	(1,270)
FTE Staff Adjustment	(.2)			
CLIP Rate Adjustment		1,350	1,348	2,698
Community Psychiatric Hospital Rate Adjustment		6,290		6,290
Transition Treatment for Children	1.0	1,407	470	1,877
Non-Medicaid Services-Community		75,400	(77,600)	(2,200)
State Hospital Forensic Services	59.0	6,951	1,918	8,869
Pharmacy Staffing	4.0	753	231	984
Evaluation and Treatment	2.0	1,653	632	2,285
Chemical Dependency Treatment Expansion		(4,153)	(4,153)	(8,306)
Subtotal	53.1	97,742	(68,213)	29,529
Total Proposed Budget	3,262.3	835,615	527,144	1,362,759
Difference	211.2	172,548	(64,617)	107,931
Percent Change from Current Biennium	6.9%	26.0%	(10.9)%	8.6%
Total Proposed Budget by Activity				
Civil Commitment Less Restrictive Alternatives	67.6	11,778		11,778
Civil Commitment-Sexual Predators	457.4	78,945		78,945
Community Mental Health Prepaid Health Services	17.0	508,583	301,616	810,199
Mental Health Facilities Services	2,733.2	195,781	178,824	374,605
Other Community Mental Health Services	11.0	26,968	39,040	66,008
Special Projects - Mental Health	5.7		2,082	2,082
Program Support - Mental Health	31.8	5,258	4,706	9,964
Compensation Cost Adjustment		9,422	1,244	10,666
Middle Management Reduction	(12.7)	(1,120)	(368)	(1,488)
Total Proposed Budget	3,311.0	835,615	527,144	1,362,759

HUMAN SERVICES - DSHS

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Lease, Medical Inflation, and Equipment Reduction

Funding for leases, medical inflation, and equipment is reduced. (General Fund-State, General Fund-Federal)

Targeted Vendor Rate Increase

Funding is provided for a targeted vendor rate increase. The increase is based on priority vendor services identified as most in need of rate adjustments. The funded level represents a 1.5 percent increase for Fiscal Year 2006 and 2.0 percent for Fiscal Year 2007, and is based on annual inflation estimates. (General Fund-State, General Fund-Federal)

Middle Management Reduction

The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount.

Children's Medical Premiums

Children's medical premiums for families between 150 and 200 percent of the federal poverty level will be delayed through June 2007. The federal government has approved the state's proposal to charge monthly premiums for medical, dental, and mental health coverage of children whose family incomes are above the poverty level. The 2003-05 budget assumed premiums would be implemented as follows: \$10 per child per month for families with incomes between 150 and 200 percent of the poverty level; and \$15 per child per month for families with incomes between 200 and 250 percent of the poverty level. The maximum amount due from any family is capped at three children per household. In light of falling children's caseloads related to other factors, the Governor directed that premiums for families with incomes between 150 and 200 percent of the poverty level be delayed until July 2005. The Medical Assistance Administration forecast assumes the premiums will go into effect at that time and funding is added to further delay them. (Health Services Account-State, General Fund-Federal)

Eligibility Reviews

Children's eligibility reviews will occur every 12 months rather than every six months, and once eligible, children will remain eligible until the next review. These changes are expected to result in 13,246 children remaining on the caseload in Fiscal Year 2007. (General Fund-Federal, Health Services Account-State)

FTE Staff Adjustment

The Department of Social and Health Services will centralize background check FTE staff into the Background Checks Central Unit.

CLIP Rate Adjustment

The Children's Long-Term Inpatient Program (CLIP) provides critical inpatient services to children under 18 years of age with severe psychiatric impairment warranting intensive services in a restrictive setting. The children cannot be served in any other less restrictive setting because of the severity of their illness. The Mental Health CLIP facilities have been working in a deficit situation for a number of years without a rate increase. The situation is critical now, as one of the facilities has closed down placing a burden on other facilities and the Child Study Treatment Center. Based on actual cost reports, it is necessary to increase the bed day rate in order to maintain this service. Without an increase, the remaining residential facilities are also at risk for closure. This item increases the current bed daily rate of \$339 to \$423. (General Fund-State, General Fund-Federal).

Community Psychiatric Hospital Rate Adjustment

In order to prevent further erosion of hospital bed capacity, this item increases the freestanding psychiatric hospital and distinct psychiatric unit rates for non-Medicaid clients toward parity with Medicaid clients for inpatient, mental health care. On average, the current daily rate for non-Medicaid clients is approximately \$294 per day, compared to the daily rate for Medicaid clients of approximately \$720. The rate adjustment will increase rates for these facilities to approximately \$523 per day average, including the vendor rate increase. (General Fund-State, General Fund-Federal)

Transition Treatment for Children

Children with mental health issues need intensive therapeutic interventions to allow them to remain in the community or to successfully transition back to their natural parents or other permanent placement. The Mental Health Division will develop and implement an evidence-based model that establishes 18 community beds where parents and mental health professionals provide wraparound services in the treatment of the child. This approach will allow communities with few or no options to divert children from the Children's Long-Term Inpatient Program (CLIP) and/or placements in community hospitals. (General Fund State, General Fund-Federal)

Non-Medicaid Services-Community

Due to recent changes in the federal administration's interpretation of Medicaid rules, the state's 14 Regional Support Networks (RSNs) that administer the community mental health system lost Medicaid funding for certain clients and services. This ruling also affected mental health clients in institutions for mental diseases (IMDs) that receive medical assistance support. Funding is provided to back fill this loss. (General Fund-State, General Fund-Federal)

State Hospital Forensic Services

The steady increase of court-ordered evaluations and competency restorations has put considerable pressure on both Eastern State Hospital (ESH) and the Center for Forensic Services (CFS) at Western State Hospital (WSH). Inpatient and jail/community evaluations have grown significantly. The average wait is over 30 days for an evaluation. WSH has experienced a 53 percent increase in referrals since 2001. The Mental Health Division is provided operational costs for a new CFS ward and additional staffing for off-site forensic evaluation for both ESH and WSH. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

Pharmacy Staffing

The Joint Commission on Accreditation of Hospital Organizations (JCAHO) found Eastern State Hospital out of compliance in not providing adequate pharmacy coverage during weekends and after normal workday hours. Western State Hospital maintains similar hours. Staffing is provided to expand pharmacy hours for both state psychiatric hospitals. (General Fund-State, General Fund-Private/Local, General Fund-Federal)

Evaluation and Treatment

In 2004, the Public Consulting Group (PCG) completed a study of current capacity and needs of inpatient and residential behavioral services for adults in Washington State. The conclusions and recommendations identified over-reliance on costly beds at state hospitals, and recommended redirecting funding toward the building and development of additional community resources. This item responds to the PCG recommendations by funding the operation of two freestanding evaluation and treatment facilities. In addition, headquarters staff are provided to assist with diverting developmentally disabled clients from the state hospital, and funding is made available to complete the residential bed capacity study required by Senate Bill 6358. (General Fund-State, General Fund-Federal)

Chemical Dependency Treatment Expansion

This item increases alcohol and drug treatment services levels for adults with co-occurring, but chemically dependent-related problems. The recipients of these services often require emergency services from other programs in DSHS, such as medical, mental health, and long term care. The expansion of the program will be phased in over the biennium with the goal to reach 40 percent penetration by the end of Fiscal Year 2006, and 60 percent penetration of potential clients by the end of Fiscal Year 2007. Savings are represented in the budgets for Medical Assistance, Long-Term Care, and Mental Health. (General Fund State, General Fund-Federal)

ACTIVITY DESCRIPTIONS

Civil Commitment Less Restrictive Alternatives

Less restrictive alternatives (LRAs) include Secure Community Transition Facilities (SCTFs) and community placements. SCTFs provide less restrictive, alternative residential living and community transitional services for sex offenders who have been civilly committed under the law and have received court-ordered conditional release from total confinement. The Pierce County SCTF is located on McNeil Island, adjacent to the Special Commitment Center. Included in its funding is mitigation for local jurisdictions. The King County SCTF is to be located on Spokane Street within the city of Seattle, and will house and supervise up to six residents. The community program includes staff to administer the process of locating and evaluating potential SCTF sites and other civil commitment off-island LRAs, and includes individual placements and placements in group settings in the community.

Civil Commitment-Sexual Predators

The Special Commitment Center (SCC) located on McNeil Island completes evaluations, custody, and care and treatment of individuals who have pending petitions for civil commitment or have been civilly committed as sexually violent predators under the law. Residents are encouraged to participate in a six-level program structured to enable them to be prepared for reunification with the community. Included in SCC are administrative staff located in Steilacoom.

Community Mental Health Prepaid Health Services

Mental Health Community Services provides financial support and program direction for community mental health programs delivered by Regional Support Networks and prepaid health plans. Programs include mental health services that implement the Involuntary Treatment Act, and mandated and optional mental health services for voluntary populations that include the acutely mentally ill, chronically mentally ill, and seriously disturbed of all ages. Services include outpatient, inpatient, acute care, emergency, day treatment, consultation and education, employment services, and Medicaid transportation. Community support services include screening of voluntary referrals to state hospitals; discharge planning with the hospitals; crisis response; case management for chronic clients in the community; and residential programs that supervise, support, treat, and rehabilitate adults and children.

Mental Health Facilities Services

State psychiatric hospitals include Eastern and Western State Hospitals, and the Child Study and Treatment Center. Services include inpatient psychiatric services for acutely and chronically mentally ill persons, mentally ill legal offenders, geriatric patients at Eastern and Western State Hospitals, and inpatient psychiatric services for severely disturbed children and adolescents at the Child Study and Treatment Center.

Other Community Mental Health Services

This activity has four service components: Children's Long-Term Inpatient Services (CLIP), the Clark County school project, Community Transition Support Services for former state hospital patients, and a federal Mental Health Block Grant. Children's Long-Term Inpatient Services provides inpatient services to mentally ill children. The Clark County school project provides intensive mental health services in a school setting for severely emotionally disturbed children who are Medicaid-eligible. Community Transition Support Services are for people who no longer require hospital level of care for their psychiatric treatment or meet the criteria for state hospital inpatient involuntary commitment, but whose treatment needs still result in substantial barriers to community placement. The federal block grant provides funds for activities such as the Mental Health Planning and Advisory Council, as well as training, education, and support services to consumers, mental health professionals, and advocates.

Special Projects - Mental Health

This activity funds special projects for mental health, including projects and grants to demonstrate service delivery to the homeless, mentally ill offenders, and family support projects.

Program Support - Mental Health

These costs represent administrative and technical support for all programs within the Mental Health Administration, including policy development, fiscal planning, information services, and legislative and regional coordination.

Compensation Cost Adjustment

This item reflects proposed compensation and benefit cost adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.

Middle Management Reduction

The Governor has directed that middle management be reduced by 1,000 positions by the end of the biennium. This item is this agency's share of the statewide amount. These savings will be assigned to the appropriate activities after the budget is enacted.